

Decision 04-04-010 April 1, 2004

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Paramvir Sandhu, will be doing business as 777 Transportation for authority to operate as a scheduled passenger stage corporation between the points in Santa Clara, Alameda and Yolo Counties and to establish a Zone of Rate Freedom.

Application 03-12-029  
(Filed December 23, 2003)

**O P I N I O N**

**Summary**

This decision grants the application of Paramvir Sandhu (Applicant), an individual, pursuant to Public Utilities (Pub. Util.) Code § 1031 et seq., for a certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, and to establish a zone of rate freedom (ZORF) pursuant to Pub. Util. Code § 454.2.

**Discussion**

The application requests authority to operate as a scheduled PSC to transport passengers and their baggage between San Jose and Hayward, on the one hand, and the Cache Creek Casino in the community of Brooks (Yolo County), on the other hand. Applicant advises that Cache Creek Casino is visited by approximately 1,400 customers from the San Jose area and about 1,100 customers from Hayward and surrounding cities each week. Most people arrive by automobile. This travel adds to highway congestion and the potential for more vehicle accidents, particularly on a 12.5-mile stretch of Highway 16 leading

to Brooks. Applicant cites CHP reports of numerous accidents on Highway 16 resulting from unsafe passing. He states his proposed service will meet the public's transportation needs and will assist in reducing congestion and improving highway safety. Applicant also notes that Cache Creek Casino recently doubled its gaming area and has a 240-room hotel and an 18-hole golf course under construction.

Applicant intends to operate a 55-passenger bus. He will make one round trip per day. Attached to the application as Exhibit D is an unaudited balance sheet as of December 2003 that discloses assets of \$887,000, liabilities of \$423,000, and net worth of \$464,000.

The proposed round-trip fare is \$15. Applicant requests authority to establish a ZORF of \$5 above and below this fare. He will compete with private automobiles, limousines, charter buses, and public transit. Applicant believes the expansion of Cache Creek Casino will increase the number of competitive transportation services operating to this facility. He wants to be able to compete price-wise with other carriers and transportation means and to have the rate flexibility that a ZORF provides in order to offer a viable public service. Applicant's request is reasonable and should be granted.

Notice of filing of the application appeared in the Commission's Daily Calendar on December 26, 2003. Applicant served a notice of the application upon the involved cities and counties.

In Resolution ALJ 176-3126 dated January 8, 2004, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3126.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

### **Assignment of Proceeding**

Richard Clark is the assigned Examiner in this proceeding.

### **Findings of Fact**

1. The application requests authority to operate as a scheduled PSC to transport passengers and their baggage between San Jose and Hayward, on the one hand, and Cache Creek Casino in the community of Brooks, on the other hand.
2. Public convenience and necessity requires the proposed service.
3. Applicant requests authority to establish a ZORF of \$5 above and below the proposed round-trip fare of \$15.
4. Applicant will compete with private automobiles, limousines, charter buses, and public transit in his operations. The ZORF is fair and reasonable.
5. No protest to the application has been filed.
6. A public hearing is not necessary.
7. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

### **Conclusions of Law**

1. Public convenience and necessity has been demonstrated and the application should be granted.
2. The request for a ZORF should be granted.
3. Before Applicant changes any fares under the ZORF authorized below, Applicant should give this Commission at least ten days' notice. The tariff

should show the high and low ends of the ZORF and the then currently effective fare between each pair of service points.

4. Since the matter is uncontested, the decision should be effective on the date it is signed.

5. Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

## **O R D E R**

### **IT IS ORDERED** that:

1. A certificate of public convenience and necessity (CPCN) is granted to Paramvir Sandhu (Applicant), an individual, authorizing him to operate as a passenger stage corporation (PSC), as defined in Public Utilities (Pub. Util.) Code § 226, to transport persons and their baggage on a schedule basis between the points and over the route set forth in Appendix PSC-17273, subject to the conditions contained in the following paragraphs.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. File tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
- d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.

- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
- g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- h. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$5 above and below the proposed round-trip fare of \$15.

4. Applicant shall file a ZORF tariff in accordance with the application on not less than ten days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this order.

5. Applicant may make changes within the ZORF by filing amended tariffs on not less than ten days' notice to the Commission and to the public. The tariff shall include the authorized maximum and minimum fares and the fare to be charged between each pair of service points.

6. In addition to posting and filing tariffs, Applicant shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.

7. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicant that his evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

8. Before beginning service to any airport, Applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airport's governing body.

9. The CPCN to operate as PSC-17273, granted herein, expires unless exercised within 120 days after the effective date of this order.

10. The Application is granted as set forth above.

11. This proceeding is closed.

This order is effective today.

Dated April 1, 2004, at San Francisco, California.

MICHAEL R. PEEVEY

President

CARL W. WOOD

LORETTA M. LYNCH

GEOFFREY F. BROWN

SUSAN P. KENNEDY

Commissioners

CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY  
AS A PASSENGER STAGE CORPORATION  
PSC-17273

-----  
Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges

-----  
All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

## **I N D E X**

	<b>Page</b>
SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.....	2
SECTION II. SERVICE AREAS .....	3
SECTION III. ROUTE DESCRIPTION .....	3



SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,  
LIMITATIONS, AND SPECIFICATIONS.

Paramvir Sandhu, an individual, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on a scheduled basis, between points described in Section II, over and along the route described in Section III, subject however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- A. When a route description is given in one direction, it applies to operation in either direction unless otherwise indicated.
- B. Scheduled service will be operated only in the service area described in Section II. A description of all the stop points and the arrival and departure times from such points shall be indicated in the timetable.
- C. No passengers shall be transported except those having a point of origin or destination as described in Section IIB.
- D. This certificate does not authorize the holder to conduct any operation on the property of any airport unless such operation is authorized by the airport authority involved.

SECTION II. SERVICE AREA.

- A. San Jose  
Hayward
- B. Cache Creek Casino in Brooks (Yolo County)

SECTION III. ROUTE DESCRIPTION.

Using the most convenient streets, expressways, and highways, commencing from San Jose, then to Hayward, then to Cache Creek Casino as described in Section IIB.